

Senate File 2056 - Introduced

SENATE FILE 2056

BY FEENSTRA

A BILL FOR

1 An Act relating to distributions from a cemetery care fund.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 523I.810, subsection 9, Code 2016, is
2 amended to read as follows:

3 9. A Not more than once every five years, a cemetery may,
4 by resolution adopted by a vote of at least two-thirds of
5 the members of its board at any authorized meeting of the
6 board, authorize the withdrawal and use of not more than
7 twenty percent of the principal of the care fund to acquire
8 additional land for cemetery purposes, to repair a mausoleum
9 or other building or structure intended for cemetery purposes,
10 to build, improve, or repair boundaries, roads and walkways
11 in the cemetery, to construct a columbarium, mausoleum, or
12 similar structure to create additional interment spaces, to
13 purchase equipment for tree, shrub, and lawn care, to purchase
14 backhoes or similar equipment used to open and close interment
15 spaces, or to purchase recordkeeping software used to maintain
16 ownership records or interment records. ~~The resolution shall~~
17 ~~establish a reasonable repayment schedule, not to exceed five~~
18 ~~years.~~ The cemetery is not required to repay funds withdrawn
19 and used pursuant to the resolution. However, the care fund
20 shall not be diminished below an amount equal to the greater
21 of twenty-five thousand dollars or five thousand dollars per
22 acre of land in the cemetery. The resolution, ~~and if the~~
23 ~~deposit of care fund income over five years is unlikely to fund~~
24 ~~replenishment of the principal of the care fund, either a bond~~
25 ~~or proof of insurance to guarantee replenishment of the care~~
26 ~~fund,~~ shall be filed with the commissioner thirty days prior to
27 the withdrawal of funds.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill provides that not more than once every five
32 years, a cemetery board may adopt a resolution authorizing the
33 withdrawal and use of not more than 20 percent of the principal
34 of the cemetery's care fund for the purposes specified and the
35 amount withdrawn is not required to be repaid to the care fund.

1 Currently, a cemetery board may adopt a resolution to
2 authorize such a withdrawal of funds at any time but the
3 resolution must include a reasonable repayment schedule that
4 does not exceed five years and if the fund is not likely to be
5 replenished within five years, the resolution must include a
6 bond or proof of insurance to guarantee replenishment.